

BUDGET (12)

AGENCY PLAN: STATEMENT OF PURPOSE, GOALS AND BUDGET SUMMARY

STATEMENT OF PURPOSE:

The Budget Department compiles and monitors all necessary financial planning information and makes recommendations so that the City Administration can efficiently deliver quality services to improve public safety, accelerate economic development and improve the financial health of the City.

AGENCY GOALS:

1. Develop quality Departmental and Citywide financial plans.
2. Monitor conformity of Departmental activities with financial and operations plan.
3. Assist in the ongoing formulation of the Administration's priorities through systematic communication of quality fiscal analyses.
4. Provide efficient quality and user-friendly services to departments and key stakeholders of the City.

AGENCY FINANCIAL SUMMARY:

2008-09 <u>Requested</u>		2007-08 <u>Budget</u>	2008-09 <u>Recommended</u>	Increase (Decrease)
\$ 2,896,133	City Appropriations	\$ 2,834,834	\$ 2,850,987	\$ 16,153
\$ 2,896,133	Total Appropriations	\$ 2,834,834	\$ 2,850,987	\$ 16,153
\$ 2,896,133	NET TAX COST:	\$ 2,834,834	<u>\$ 2,850,987</u>	\$ 16,153

AGENCY EMPLOYEE STATISTICS:

2008-09 <u>Requested</u>		2007-08 <u>Budget</u>	04-04-08 <u>Actual</u>	2008-09 <u>Recommended</u>	Increase (Decrease)
<u>24</u>	City Positions	<u>23</u>	<u>22</u>	<u>24</u>	<u>1</u>
24	Total Positions	23	22	24	1

ACTIVITIES IN THIS AGENCY:

	2007-08 <u>Budget</u>	2008-09 <u>Recommended</u>	Increase (Decrease)
Budget Operations	\$ 2,834,834	\$ 2,850,987	\$ 16,153
Total Appropriations	\$ 2,834,834	\$ 2,850,987	\$ 16,153

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BUDGET OPERATIONS ACTIVITY INFORMATION

ACTIVITY DESCRIPTION:

The Budget Department is primarily responsible for the preparation of the annual operating and capital improvement budgets; and the biennial five-year capital agenda. Critical functions are monitoring City revenues and expenditures throughout the fiscal year, and relating financial activity to the plan expressed by the budget and to the long-term strategic direction set for the City. Development, implementation, and coordination of management information systems are essential to all aspects of financial planning and control. Budget Department staff coordinates travel for city employees, processes telecommunication payments, and performs management audits of City operations as staffing levels permit.

GOALS:

1. Develop quality Departmental and Citywide Financial Plans.
 - Departments have meaningful involvement in development of Departmental plans.
 - Budget staff analyzes proposals and develops needed alternatives.
 - Citywide plans reflect a special focus on the Mayor's priorities and are consistent with the overall strategic direction set for the City.
2. Monitor conformity of Departmental activities with financial and operational plans.
 - Budget staff spends an adequate amount of time with Departmental representatives.
 - Budget variances are explained and, where possible, predicted.
3. Assist in the ongoing formulation of the Administration's priorities through systematic communication of quality fiscal analyses.
 - Budget leadership is in regular/ongoing and useful dialogue with Administration about its policy directions.
 - Budget staff has special focus on the Mayor's service priorities in ongoing analysis (pro-active).
4. Provide efficient, quality and user-friendly services to departments and key stakeholders of the city.
 - The staff is trained and oriented to their responsibilities.
 - The Budget Department offers useful management information to Departments and the Administration.
 - The Department spends less time on processing activities.

MAJOR INITIATIVES FOR FY 2007-08:

The Budget Department will realign staff functions in both the Budget Analysis Division and the Management Information and Systems Division to improve the efficiencies of budget development, processing timely travel reimbursements for our city employees, as well as, telephone payments to our vendors.

Budget staff continues its more aggressive cost monitoring of the past few years. Budget Teams continue to hold regular meetings with each agency to control expenditures, process improvement studies, support attempts to maximize revenue, or reduce program costs.

Budget Department staff is also responsible for the processing of payments for the majority of Telecommunications expenses, coordinating employee travel for most City departments and reconciling all employee travels. Budget Department staff also utilizes Personnel and Payroll System (PPS) to manage positions and to make changes based on Budget Amendments or Redbook.

The Budget Department organizes the Annual Public Budget Meetings every fall, as part of a large informational outreach program. Total direct costs of administering the program continue to be roughly \$5,000 for mailing and advertising. Total participation in 2007 increased over 2006 but is still below program averages and goals. In 2008, we hope to revive the Public Schools' outreach component and to increase the involvement of other city departments in the outreach.

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The Budget Department continues to provide technical support to agencies through special organizational projects. Staff continues to support the creation of the General Services Department to ensure that the interagency transition is accomplished successfully. In addition, staff also continues to support Labor Relations with analysis for the Act 312 Arbitration process for Police, Fire and retiree benefits.

Department staff periodically sits on RFP committees and for fleet parts inventory management as is currently part of the General Services Department's. Budget staff are members of numerous interagency working groups: the Vehicle Management Steering Committee (which budget staff also support), and the Procurement Review Committee, the Risk Management Council and the Memorandum of Understanding (MOU) Committee for tree nursery operating partnership. Ongoing training seminars for City agencies are held annually: BRASS, budget request development, and vehicle planning sessions. Sixty-one (61) city staff participated in BRASS training in 2007.

PLANNING FOR THE FUTURE FOR FY 2008-09, FY 2009-10 and BEYOND:

The Non-Departmental team will produce the Biennial Five-Year Capital Agenda, December 2008. This process documents the entities in the City with capital programs, the capital needs of City agencies, and proposes a capital plan relating to the City's General Obligation Bond program. The citizens of the City of Detroit will be asked to vote on authorizing the use of General Obligation Bond funds for various projects during the presidential primary election in August, 2008.

In 2008-09, we will work with the General Services Department to integrate its expertise into the capital planning process for 2008.

The Budget Department is considering switching its Budget application from BRASS (Budget Reporting and Analysis Support System) to Oracle Public Sector Budgeting (PSB).

The advantage to switching to Oracle PSB is that it would allow the Budget Department to interface the data that will be stored in the Oracle HR module. This will assist the Budget Department in developing more accurate salary and fringe benefit projections.

Another advantage is eliminating the need for manually importing and exporting of data between BRASS and Oracle (i.e. loading the Budget into Oracle and loading Actual into BRASS).

The Budget Department is in the process of revising the Travel Directive. The Budget Department will also begin to conduct regular training sessions to acquaint all Department Travel Coordinators with new policies and procedures.

The Budget Department continues to work to reduce the City's Telecommunications costs by careful review of invoices, filing disputes with vendor about erroneous charges and reducing the time between the receipt of the invoice and the issuance of a check.

The Budget Department has received the GFOA Distinguished Budget Award for 11 consecutive years, and has a commitment to public sector standards for planning and reporting of financial information. Accordingly, we would like to redesign our Executive Budget, Adopted "Redbook" budget, and Five-Year Capital Agenda documents to make information more user-friendly. In coming years, we will add CD-ROM options to our document distribution. We are also developing standards for document archiving and retention.

In conjunction with renewed efforts at long-term planning in the last few years, we will further integrate Geographic Information Systems (GIS) capability into our processes.

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BUDGET OPERATIONS MEASURES AND TARGETS

Type of Performance Measure List of Measures	2005-06 Actual	2006-07 Actual	2007-08 Projection	2008-09 Target
Inputs: Resources Allocated or Service Demands Made				
Personnel letters and requisitions evaluated and processed	1,330	1,500	1,330	1,330
Council and Finance Letters evaluated and processed	245	300	300	300
Personal Service Contracts reviewed, evaluated and processed	282	210	200	210
Team site visits to departments	50	100	100	100
Outputs: Units of Activity directed toward Goals				
Agencies attending Budget Request Seminar	32	32	32	32
Management Audit reports completed	5	6	6	6
Average number of days turnaround on Personal Service contracts	26.7	14.5	14.5	14
Average number of days turnaround on personnel letters	23.9	11.1	8	8
Average number of days turnaround on Finance/Council letters	28.4	11.9	11.9	11
Average number of days between travel request and approval	6.3	6	5	5
Outcomes: Results or Impacts of Program Activities				
Estimated General Fund surplus/deficit as % actual	99%	99%	99%	99%
Total citizen participation in the Citizen Budget Program	671	184	336	500
Department satisfaction ratings (1-5 scale)	3.99	3.99	3.99	5.00
Activity Costs	\$2,627,033	\$2,752,101	\$2,834,834	\$2,850,987

CITY OF DETROIT
Budget Department
Financial Detail by Appropriation and Organization

Budget Operations	2007-08 Redbook		2008-09 Dept Final Request		2008-09 Mayor's Budget Rec	
	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Budget Department Operations						
<i>APPROPRIATION ORGANIZATION</i>						
00226 - Budget Department Operations						
120010 - Budget Operations	23	\$2,834,834	24	\$2,896,133	24	\$2,850,987
APPROPRIATION TOTAL	23	\$2,834,834	24	\$2,896,133	24	\$2,850,987
ACTIVITY TOTAL	23	\$2,834,834	24	\$2,896,133	24	\$2,850,987

CITY OF DETROIT
Budget Development for FY 2008-2009
Appropriations - Summary Objects

	2007-08	2008-09	2008-09
	Redbook	Dept Final	Mayor's
		Request	Budget Rec
AC0512 - Budget Operations			
<i>A12000 - Budget Department</i>			
SALWAGESL - Salary & Wages	1,522,178	1,543,160	1,561,005
EMPBENESL - Employee Benefi	1,007,733	1,035,853	979,491
PROFSVCSL - Professional/Cont	5,000	5,000	5,000
OPERSUPSL - Operating Supplie	90,960	101,454	101,454
OPERSVCSL - Operating Service	197,097	197,711	191,082
CAPEQUPSL - Capital Equipmen	8,786	0	0
OTHEXPSSL - Other Expenses	3,080	5,960	5,960
FIXEDCHGSL - Fixed Charges	0	6,995	6,995
<i>A12000 - Budget Department</i>	<i>2,834,834</i>	<i>2,896,133</i>	<i>2,850,987</i>
AC0512 - Budget Operations	2,834,834	2,896,133	2,850,987
Grand Total	2,834,834	2,896,133	2,850,987

CITY OF DETROIT
Budget Development for FY 2008-2009
Appropriation Summary - Revenues

	2006-07 Actuals	2007-08 Redbook	2008-09 Dept Final Request	2008-09 Adopted Budget	Variance
A14000 - Civic Center					
<i>00008 - Administration</i>					
447300 - Other Utility Revenue	163,818	0	0	0	0
447505 - Telephone And Telegran	633	800	800	100	(700)
447555 - Other Reimbursements	420	3,000	2,000	2,000	(1,000)
462130 - Building Rentals	2,280,196	2,300,000	2,400,000	2,280,000	(20,000)
463100 - Miscellaneous Concess	154,205	1,500,000	675,000	675,000	(825,000)
463175 - Restaurant Concessions	1,112,226	1,500,000	1,500,000	1,100,000	(400,000)
463185 - Checking Concessions	6,605	40,000	40,000	40,000	0
472130 - Equipment Rentals	24,999	30,000	30,000	25,000	(5,000)
474100 - Miscellaneous Receipts	19,707	10,000	20,000	10,000	0
510100 - Street Funds Reimburse	71,500	29,434	29,700	30,045	611
<i>00008 - Administration</i>	<i>3,834,309</i>	<i>5,413,234</i>	<i>4,697,500</i>	<i>4,162,145</i>	<i>(1,251,089)</i>
<i>00011 - Cobo Center</i>					
447300 - Other Utility Revenue	288,289	0	0	0	0
462130 - Building Rentals	90,577	0	0	0	0
472130 - Equipment Rentals	(2,870)	0	0	0	0
474100 - Miscellaneous Receipts	935	0	0	0	0
510100 - Street Funds Reimburse	7,870	0	0	0	0
<i>00011 - Cobo Center</i>	<i>384,801</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>00890 - Cobo - Renewal and Replacement</i>					
461100 - Earnings On Investment	170,151	0	0	0	0
510325 - Transfers From Other Fu	942,318	1,500,000	2,350,000	2,350,000	850,000
<i>00890 - Cobo - Renewal and Replacem</i>	<i>1,112,469</i>	<i>1,500,000</i>	<i>2,350,000</i>	<i>2,350,000</i>	<i>850,000</i>
<i>10318 - Capital Improvement - Bonds - Civic Cent</i>					
461100 - Earnings On Investment	0	200,000	0	0	(200,000)
<i>10318 - Capital Improvement - Bonds -</i>	<i>0</i>	<i>200,000</i>	<i>0</i>	<i>0</i>	<i>(200,000)</i>
<i>11150 - Property Management</i>					
447300 - Other Utility Revenue	8,500	0	0	0	0
462130 - Building Rentals	1,080,563	1,250,620	901,620	901,620	(349,000)
<i>11150 - Property Management</i>	<i>1,089,063</i>	<i>1,250,620</i>	<i>901,620</i>	<i>901,620</i>	<i>(349,000)</i>
A14000 - Civic Center	6,420,642	8,363,854	7,949,120	7,413,765	(950,089)
Grand Total	6,420,642	8,363,854	7,949,120	7,413,765	(950,089)

CITY OF DETROIT
MAYOR'S 2008-2009 RECOMMENDED BUDGET

Budget Department

Appropriation	REDBOOK FY 2007	DEPT REQUEST	MAYORS FY 2008
Organization	2008 FTE	FY 2008 2009 FTE	2009 FTE
Classification			
00226 - Budget Department Operations			
120010 - Budget Operations			
Budget Director	1	1	1
Deputy Budget Director	1	1	1
General Manager - Budget	1	1	1
Manager II - Budget	3	3	3
Manager I - Budget	6	5	5
Principal Budget Analyst	1	2	2
Senior Budget Analyst	8	7	7
Executive Secretary III	1	1	1
Executive Secretary II	1	0	0
Administrative Specialist I	0	2	2
Senior Clerk Exempted	0	1	0
Office Assistant II	0	0	1
Total Budget Operations	23	24	24
Total Budget Department Operations	23	24	24
Agency Total	23	24	24